

COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY
And Ex-Officio for the
FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND
MEETING OF THE BOARD OF TRUSTEES
33 N. DEARBORN STREET-STE. 1000
CHICAGO, ILLINOIS 60602

Minutes for August 10, 2011 Meeting of the Board

The County Fund and the Forest Preserve District Fund are herein collectively referred to as the "Fund".

Call to Order and Roll Call.

Trustees Present: Clem Balanoff, Robert Benjamin, John E. Fitzgerald, Alexis Herrera, Robert Janura, Constance Kravitz, and Patrick McFadden.

Staff Present: Daniel R. Degnan, Executive Director, Angela McMillin, Director of Health Benefits, Nickol Hackett, Director of Investments, Michael Maratea Director of Finance, Margaret Fahrenbach, Legal Counsel, Gary LeDonne, Senior Benefit Advisor, Sharon Ryan, Office Manager.

Others Present: Jason Parks, Loop Capital, Theron Picketts, Cabrea Capital, and Mark Rosenfeld, Office of Commissioner Bridget Gainer.

1. Review and Consideration of:

a. July 7, 2011 Board Meeting Minutes.

It was moved by Trustee Balanoff and seconded by Trustee Herrera that the minutes of the July 7, 2011, Board Meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Bills, Payroll Records, Annuities, Spouse & Child Annuities, Ordinary & Duty Disabilities and Refunds.

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, Kravitz, McFadden, Fitzgerald
NAYS: None

Vote Result: MOTION ADOPTED

2. Cash Flow Report

It was moved by Trustee McFadden and seconded by Trustee Herrera that the Cook County Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$85 million dollars to cover projected expenses through October 31, 2011. It is further moved that the Fund's staff shall be authorized to take all steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, Kravitz, McFadden, Fitzgerald

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Herrera that the Forest Preserve District Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$2.45 million dollars to cover projected expenses through October 31, 2011. It is further moved that the Fund's staff shall be authorized to take all steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, Kravitz, McFadden, Fitzgerald

NAYS: None

Vote Result: MOTION ADOPTED

At this time Trustee Janura entered the meeting.

3. Consideration of July 26, 2011 Investment Committee Recommendations

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee to implement the Investment Structure Plans for the Cook County Fund and the Forest Preserve District Fund as presented at their meeting on July 26, 2011, and that the Funds' Investment Staff in consultation with the Funds' legal counsel be authorized to take all action reasonably necessary to implement the foregoing, including but not limited to, the selection of transition managers to effect and communicate the same.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee to conduct a competitive search, with respect to the asset class of Core Plus Fixed Income for the Cook County Fund as presented at their meeting on July 26, 2011, in accordance with the Fund's procurement policy, and that the Funds' Investment Staff be authorized to take all action reasonably necessary to effectuate the foregoing, including legal review of any necessary search related forms.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

4. Consideration of July 28, 2011 Health Benefit Committee Recommendations

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Board approve the recommendation of the Health Benefit Committee made at their meeting on July 28, 2011, to renew the CVS/Caremark Generic Alternative Co-Pay Incentive Program for an additional year and that the Fund's staff be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, the execution and delivery of any related written agreements by the Executive Director.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Board approve the recommendation of the Health Benefit Committee to implement the CVS/Caremark Generics First Program as presented at their meeting on July 28, 2011, and that the Fund's staff be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, the execution and delivery of any related written agreements by the Executive Director.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Board approve the recommendation of the Health Benefit Committee to implement the CVS/Caremark Specialty Guideline Management Program as presented at their meeting on July 28, 2011, and that the Fund's staff be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, the execution and delivery of any related written agreements by the Executive Director.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Board approve the recommendation of the Health Benefit Committee to implement the CVS/Caremark Extra Care Health Card Program as presented at their meeting on July 28, 2011, and that the Fund's staff be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, the execution and delivery of any related written agreements by the Executive Director.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

5. Legal Matters

a. Litigation Matters

It was moved by Trustee McFadden and seconded by Trustee Kravitz that the Board convene an Executive Session pursuant to Sections 2(c)(11) and 2(c)(21) of the Open Meetings Act, to discuss litigation pending against the Fund and the minutes of previous executive sessions.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, Kravitz, McFadden, Fitzgerald

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Executive Session be adjourned and that the Board return to open session.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

Upon returning to open session it was moved by Trustee McFadden and seconded by Trustee Balanoff that Michael C. Close be appointed to serve as the Hearing Officer, to succeed James E. Sullivan who has returned to the bench in the Circuit Court of Cook County, for the pending administrative hearing requested by Mr. Gene Michno.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, Kravitz, McFadden, Fitzgerald

NAYS: None

Vote Result: MOTION ADOPTED

- b. It was moved by Trustee McFadden and seconded by Trustee Balanoff, based upon recommendation of Fund fiduciary counsel, that the executive session minutes of May 7, 2010, August 4, 2010 and November 4, 2010 be approved as presented and that said minutes remain closed as they involve discussions of litigation, filling vacant Board positions and investment matters and the need for confidentiality continues.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

It was moved by Trustee McFadden and seconded by Trustee Balanoff, pursuant to Section 2.06(c) of the Open Meetings Act, and on the recommendation of Fund fiduciary counsel, that the verbatim recordings of the executive sessions conducted on October 1, 2009, November 6, 2009 and December 3, 2009 be destroyed based on the Board having approved the minutes of said executive sessions in accordance with Section 2.06(a) of the Act.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

c. Open Meetings Act Amendment

It was moved by Trustee Balanoff and seconded by Trustee Kravitz that the Rules and Procedures for Public Comment at Board Meetings, proposed pursuant to the Open Meetings Act, be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

6. Old Business/New Business.

Mr. Degnan informed the Trustees that the impact analysis for SB 512 was completed by the Funds' actuary. He also informed the Trustees that the Summer Newsletter with the 2011 Election Notice was in the mail.

7. Adjournment

After consideration of all other items of business, it was moved and seconded that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Board's next regular meeting is scheduled for SEPTEMBER 1, 2011.